Government Procurement Policy

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Province of Nova Scotia

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1.0 Policy

1.1 The purpose of this policy statement is to ensure openness and fairness in government procurement and maximum uniformity of procurement policies throughout departments, agencies, commissions and crown corporations.

Encompassed by this statement are:

1.1.1 goods and services acquired by purchase, lease or long term rental;

1.1.2 building leases; and

1.1.3 construction services, new construction, and repairs to roads, buildings and other publicly owned facilities.

1.2 Policy

1.2.1 To ensure that government goods, services and construction requirements are met through a fair and open acquisition process as defined in this policy based on the highest degree of competition consistent with an efficient and cost-effective procurement system to provide best value to the Province.

1.2.2 To ensure that all firms interested in becoming government suppliers shall be given equitable access to contract opportunities, except that consideration may be shown to Maritime suppliers, manufacturers and contractors whenever practical and economically feasible to do so, consistent with the Maritime Procurement Agreement.

1.3 This policy statement shall apply to procurement contracts awarded by all departments, agencies, commissions and crown corporations. Any departments, agencies or corporations established subsequent to the effective date of this policy shall also conform to this policy statement.

This policy statement is further intended to serve as a guideline for other public sector entities which are substantially provincially funded.

2.0 Procurement Process

2.1 Definitions

2.1.1 **Tender** is a solicitation for bids and may also constitute the bid submitted in response to a solicitation from a contracting authority.

2.1.2 **Bid** is defined as a submission in response to a Tender, Request for Proposals or Request for Quotations.

2.1.3 **Building Leases**—includes all building lease requirements covering the conveyance of the right to use tangible building property for a specified period of time in return for rent.

2.1.4 **Public Advertisement** means advertisement in the public media with provincial circulation subject to area buying policies of the government. In addition, public advertisement includes, where required under the Maritime Procurement Agreement, providing information on an electronic public bid posting system available to all registered suppliers and governments of the Maritime Provinces.

2.1.5 **Goods** means materials, supplies, and equipment required for the transaction of business as well as services that are furnished incidental to the supply of such goods.

2.1.6 **General Services** means those services listed in Appendix A.

2.2 The public procurement of goods, services, and construction in Nova Scotia is generally undertaken through the bid process. There are two basic versions of the bid process utilized in Nova Scotia: public bids and bids by invitation. The method chosen is dependent upon the dollar value of acquisition and the particular circumstance pertinent to each individual procurement as outlined below.

2.2.1 Request for Bids

The tendering process is intended to solicit competitive bids by giving suppliers, either by public advertisement or by invitation, the opportunity to bid on the requirement. A request for bids, either by a public tender call for bids or by invitation, is used when the following criteria apply:

a) two or more sources are considered capable of supplying the requirement; and

b) the requirement is adequately defined to permit the evaluation of tenders against clearly stated criteria.

The tender document describes the specifications to be met and the commercial conditions which will apply.

2.2.2 Request for Proposal

Suppliers are requested to submit detailed proposals in accordance with established criteria. A request for proposal is used when:

a) it is expected that negotiations with one or more vendors may be required with respect to any aspect of the requirement; or

b) owing to the nature of the requirement a supplier is invited to propose a solution to a problem, requirement or objective and the selection of the successful proposal is based on the effectiveness of the proposed solution rather than on price alone.

2.2.3 Request for Quotation

In minimal dollar procurements or in single source requirements, in the interests of efficiency, requests for quotations are solicited, or received, from selected suppliers.

3.0 Supplier Registration

3.1 Suppliers wishing to be invited to submit bids to public sector procurement organizations are to be encouraged to register with and to maintain an accurate vendor profile with the appropriate department, agency, commission or crown corporation.

A vendor profile defines the products and services, capabilities, capacities, qualifications, and specializations to facilitate vendor selection for inclusion in calls for bids and to assist in the bid evaluation process.

3.2 To qualify for a public contract award, a vendor must be in compliance with all pertinent Nova Scotia legislation including all applicable statutory registration requirements (i.e., Corporations Registration Act). All vendors must agree in their bids that, where required under the legislation, they will register, if not already registered, as a condition of being awarded a contract.

4.0 Public Bids—Goods and General Services

4.1 **Goods**—Requirements for goods with an estimated value of $25,000 and over are to be publicly advertised. A public call for bids may be called for lesser dollar amounts at the discretion of the issuing procurement organization.

4.2 **General Services**—Requirements for general services with an estimated value of $50,000 and over are to be publicly advertised. A public call for bids may be used for lesser amounts at the discretion of the issuing organization.

4.3 The types of services covered by this policy include but **may not be limited** to those listed in Appendix A. Consistent with the Maritime Procurement Agreement, professional services will be exempted from public advertising but all firms with offices established in the Maritime Provinces will be given equal opportunities to do business without regard to province of origin.

5.0 Public Bids—Building Leases

5.1 Building Leases

All building lease requirement estimates of 2,500 square feet and over are to be acquired by way of public advertisement, in accordance with the appropriate government agency lease tendering policy.

6.0 Public Bids—Construction

6.1 Construction—Roads, Buildings and Facilities, New Construction and Repairs

Construction requirements with an estimated value of $100,000 and over are to be publicly advertised. A public call for bids may be used for lesser amounts at the discretion of the issuing organization.

7.0 Invitation to Bid—Goods and Services

7.1 **Goods**—Procurement of goods estimated between $500 and $25,000 are normally acquired by invitation to bid. In this circumstance, a minimum of three bona fide dealers or suppliers, where available, are selected for inclusion in the invitation for bids by the purchasing organization.

7.2 **General Services**—General services requirements estimated between $5,000 and $50,000 are normally acquired by invitation to bid. In this circumstance, a minimum of three bona fide suppliers, where available, are selected for inclusion in the invitation for bids by the purchasing organization.

7.3 The authorized head of procurement may establish procurement practice requirements for acquiring goods with an estimated value of less than $500 and general services with an estimated value of less than $5,000.

7.4 Various factors may impact upon the selection of vendors for inclusion on a request for bids:

7.4.1 previous vendor performance;

7.4.2 qualifications of vendor;

7.4.3 limited source of supply;

7.4.4 geographical area of requirement; and

7.4.5 Nova Scotia and/or Maritime content.

8.0 Invitation to Bid—Construction

8.1 Construction—Roads, Buildings and Facilities, New Construction and Repairs

Construction requirements estimated between $10,000 and $100,000 in value may be acquired by invitation to bid. A minimum of three bona fide suppliers, where available, are selected by the acquiring organization to submit bids on the requirement.

8.2 Several factors may impact on the selection of vendors:

8.2.1 previous vendor performance;

8.2.2 qualifications of vendor; and

8.2.3 geographical location.

8.3 The authorized head of procurement may establish procurement practice requirements for acquiring construction services with an estimated value of less than $10,000.

9.0 Bid Opening and Award Information

9.1 Bid submissions are opened in public in accordance with the closing time, date, and place stipulated in the bid request.

9.2 Interested members of the public may attend bid openings.

9.3 All bid submissions are subject to evaluation after opening and before award of contract.

9.4 **Award Information**—Besides price, public sector procurement practices may take into account the following: quality, quantity, delivery and service capabilities. Where the lower bid is not accepted, an explanation of the rationale for the contract award shall be provided upon request to the presenter(s) of the lower bid(s).

In the case of public bids called in accordance with the Maritime Procurement Agreement, award information is provided to the appropriate government agencies of the other Maritime Provinces upon request.

9.5 Opportunities and programs may be created using alternate bidding processes in the interest of best overall value to the Province to:

9.5.1 utilize public procurement as a tool for economic development;

9.5.2 favour environmentally sound supplies;

9.5.3 foster the development of minority businesses; or

9.5.4 foster the development of sheltered workshop programs.

10.0 Delegation of Procurement Authority

10.1 The authorized head of procurement for the various public organizations within Nova Scotia, if satisfied that it is in the public interest, may delegate the authority to purchase to officers or officials of the department, agency, commission or corporation. Recipients of such authority are responsible to execute this authority in accordance with this policy.

10.2 Delegation of authority may assume one or more of the following formats or variations thereof:

10.2.1 a delegation of authority to purchase all requirements under a designated dollar value;

10.2.2 a delegation of authority to acquire sole source goods, services or construction specialties at prices predetermined or approved by the purchasing authority of the appropriate government agency;

10.2.3 a delegation of authority to acquire goods, services or construction capability as may be needed to respond to an emergency situation. All such transactions for goods must be confirmed after the fact by the central procurement authority of the appropriate government agency.

11.0 Sole Source Procurement

11.1 Procurement from a single or sole source is permitted under the following circumstances, provided single or sole source procurement is not used with a view to circumventing this policy:

11.1.1 where the procurement relates to an unforeseeable emergency and the product, service or construction cannot be obtained in time by means of the prescribed tendering process;

11.1.2 where the procurement relates to the protection of exclusive rights, such as patents, or where the existing equipment compels the procurement authority to purchase from the original supplier for reasons of compatibility;

11.1.3 where the procurement relates to the products or services of persons with disabilities, philanthropic institutions, prison labour or to employment equity programs;

11.1.4 where the procurement is for the purpose of research and development or where it involves the production of a prototype or original development or for the purposes of technological development;

11.1.5 where the procurement takes place under the terms and conditions of a contract existing when this policy enters into force;

11.1.6 where the procurement relates to retail operations and a marketing plan or survey indicates that a particular product, location or service is the best practical alternative;

11.1.7 where there is only one known source of supply; or

11.1.8 as may otherwise be provided for in the Maritime Procurement Agreement.

12.0 Dollar Limits

The dollar limits included in this policy will be reviewed and may be amended from time to time as circumstances require.

APPENDIX A

SERVICES COVERED BY POLICY STATEMENT ON GOVERNMENT PROCUREMENT

The services covered by this policy statement are those listed below as itemized in the Maritime Procurement Agreement. Any services that are added to the Maritime Procurement Agreement, subsequent to the effective date of this policy, shall also be subject to this policy statement.

Advertising services
Catering services
Cleaning services
Computer hardware repairs
Computer hardware services
Computer software maintenance
Computer software development
Courier services
Elevator inspection services
Equipment rentals
Equipment repairs
Freight and express
Graphic design
Instructional materials and related services
Insurance
Laundry services
Photographic services
Printing
Security services
Snow clearing around public buildings
Surveying
Translation
Waste removal, including toxic wastes